

Blue Shield of California **Three-Tier Prescription Drug Benefit**

What are three tier rates?

The Plan is designed to provide generic drugs for a \$10 co-payment, brand name drugs for a \$15 co-payment and non-formulary drugs for a \$30 co-payment.

What is a Formulary?

Formularies are lists of preferred, covered medications recommended to prescribing physicians. Frequently, several drugs work equally well for a medical condition. Blue Shield of California's formulary is developed by their Pharmacy and Therapeutics (P&T) committee and contains medications that have been reviewed for safety, efficacy and have received Food and Drug Administration (FDA) approval. The P&T committee reviews and updates the formulary quarterly.

Most insurance carriers utilize drug formularies to help stem the rising cost of prescription drugs. It allows them to maximize treatment quality while keeping prescription drug costs lower through use of their purchasing power.

If a drug is not on the Blue Shield of California formulary, you may still obtain the prescription by paying the non-formulary co-payment of \$30. The \$30 co-payment applies to any drug, generic or brand, that is not on the formulary. Please note however, that some prescriptions do need prior authorization, whether they are formulary or non-formulary (see Medical Necessity Review Section).

What is a Generic Drug?

A generic drug is produced and sold under its chemical name. Generic drugs are considered therapeutically equivalent to the brand name drug by the Food and Drug Administration. Blue Shield's formulary includes all generic oral drugs, even if they are not listed in the formulary. Generic drugs provide the best value and are provided at a lower co-payment (\$10).

What is a Brand Name Drug?

A brand name drug is produced and sold under the original manufacturer's brand name. Many brand name drugs with no generic equivalent are included in the Blue Shield Formulary. If a Brand name drug is followed by "generic only" this means that Blue Shield will only cover the generic version of the drug.

There may be situations where your physician determines that the brand name rather than the generic medication is medically necessary. In this case, the doctor can specify on the prescription "Dispense as Written" and you will be dispensed the Brand name drug, and pay the brand co-payment of \$15.

If you request a brand name drug for which an equivalent generic drug is available and the doctor has not requested "dispense as written" for medical necessity, you will pay the co-payment for the brand name drug plus the cost difference between the brand name drug and its generic equivalent.

How are prescriptions processed with a drug card?

Blue Shield of California uses Argus Health Systems to process prescription drug claims. Member pharmacies can access your eligibility and covered drug information and process your prescription when you present your Blue Shield of California Identification Card. You will be responsible for the appropriate drug card co-payment - generic, brand or non-formulary.

What are the benefits of a drug card plan?

The Argus pharmacy system has access to all drugs prescribed to you through their network. They are able to immediately alert the pharmacist of potential drug interactions, contraindications of prescribed medicines, an insufficient dosage, a drug/disease conflict, refills requested too early, a drug-pregnancy conflict or potential over utilization.

Two different doctors may have prescribed drugs that should not be taken together. The pharmacy alert system will warn the pharmacist that this potential problem exists and the pharmacist will be able to call the prescribing doctor for an alternative prescription.

You no longer have to keep receipts of your pharmacy bills and remember to submit them for reimbursement. Once you pay the co-payment there is no more paperwork.

Medical Necessity Review

There are approximately 40 drugs which require a prior authorization for medical necessity. They are:

Actonel 30 mg	Crinone	Maxalt	Singulair
Actos	Cytovene	Mepron	Stadol
Agrylin	Detrol	Miacalcin	TOBI
Amerge	Diflucan	Migranal Nasal Spray	Tretinoin
Avalide	Diovan	Muse Suppository	Viagra
Avapro	Diovan HCT	Proscar	Zithromax
Avelox	Evista	Provigil	Zofran
Avita	Imitrex Nasal Spray	Pulmicort	Zyvox
Biaxin	Imitrex Tablets	Regranex	
Ceclor	Kytril	Renagel	
Comtan	Lamisil	Retin A and Retin A Micro	

Authorization may be needed due to the age of the patient; no prerequisite drug therapy supplied, limitations exceeding a specific number of tablets or limits on number of days prescribed. The requirement strives to reduce utilization of over prescribed or highly expensive drugs. Authorizations are handled by the Blue Shield of California Department of Pharmacy Services at 1-800-535-9481. You may access the formulary on Blue Shield's website, www.blueshieldca.com.

How many days supply will be dispensed?

Under your current program, you can obtain more than a 30 day supply (if prescribed by your physician). Under the drug card program, you can only receive a 30 day supply at one time, however, you do have the option of using the mail order program to obtain up to a 90 day supply.

Mail Order Drug Program

The mail order drug program allows you to obtain up to a 90-day supply of medically necessary drugs prescribed for a chronic condition for two times your current co-payment (brand or generic or non-formulary). This program saves you a trip to the drugstore, saves you \$10, \$15 or \$30 on a 90-day supply and offers you the convenience of refills delivered via mail directly to your door within 14 days of your order. You will need a separate prescription, indicating that a 90-day supply can be dispensed.

What if the drug cost is less than my co-payment?

In most situations, the cost of your prescription is higher than the \$10 generic or \$15 brand cost. If the cost of the drug is less than the indicated co-payment, you would pay the actual cost of the drug, not the higher co-payment amount. For example, if the generic cost of the drug is \$4, you would only pay \$4 not the \$10 co-pay.